

TIMBER SALE PROSPECTUS

Sale Name: Regis T. Runt Type of Sale: Premeasured

National Forest: Idaho Panhandle Ranger District: Coeur d'Alene River

Bidding Method: Sealed Bid Guarantee: \$ 13,800.00

Location of Bid Opening: Office: Forest Supervisor's Office

Address: 3815 Schreiber Way
Coeur d'Alene, Idaho 83815

Date: July 1, 2003 Time: 09:30 a.m.

1. INTRODUCTION. This prospectus furnishes prospective bidders with information not contained in the published advertisement and is designed to enable bidders to decide whether or not to further investigate the sale. The prospectus is not a legally binding document, but is offered to provide general information about a sale. The contract does not include descriptions, estimates, and other data in this prospectus, unless otherwise stated. In the event that the prospectus contains an error or contradicts the sample contract, the contract governs. Bidders are urged to examine the timber sale and make their own estimates. Timber sale Contract **Form FS-2400-6T** will be used. Inspect the sale area and the sample contract before submitting a bid. Obtain the appraisal, other information on the timber, and conditions of sale and bidding at Forest Service offices listed above and in the named attached advertisement.

2. BIDDING. This is a **SEALED BID** sale. Bidders must submit sealed bids on prepared forms they can obtain from Forest Service offices listed above and in the attached advertisement. The forms include instructions for bidding and submission of the required certifications. A bid guarantee must be included with the bid in the form of cash, a bid bond on Form FS-6500-13 (4/82) or later, certification of annual bid bond allocation on Form FS-6500-13a (4/82) or later, an irrevocable letter of credit, a certified check, bank draft, cashiers check, official bank check, or bank or postal money order payable to the Forest Service, USDA in the amount specified above and in the bid form. The bid guarantee shall be returned to each bidder whose bid is not accepted.

This is a small business set-aside sale. The Forest Service shall readvertise the sale without restriction on the size of bidders if no self-certifying, qualified small business concern makes a valid bid.

Total Sale Value/Proportionate Rate Bidding:

Prospective purchasers must submit bids for the sale-as-a-whole. The advertisement states minimum acceptable bid rates together with the estimated quantities of timber. The bidder should enter the offer on the bid form only in terms of the sale-as-a-whole. The Forest Service shall establish bid rates by species in the contract equal to the minimum acceptable bid plus the proportionate bid premium. The bid premium will be rounded to the nearest cent. The proportionate bid premium is the bid increase for the sale-as-a-whole divided by the total sale minimum acceptable bid times the minimum acceptable bid rate by species.

3. LOCATION AND DESCRIPTION OF TIMBER. Refer to the sample contract and sale area map attached to the sample contract for legal location of sale area, location of payment units, location of cutting units, the acreage of sale area, and the cutting unit acreage.

THE FOLLOWING GENERAL LOCATION, ROUTES OF ACCESS, ACREAGES, AND OTHER SPECIAL LOCATION DATA DO NOT SUPERSEDE THE SALE AREA MAP OR SAMPLE CONTRACT.

This sale is approximately 680 acres in size with harvest to occur on about 42 acres. Harvest activities are located in five payment units within the South Fork of the Coeur d'Alene River drainage within a portion of sections 4 and 5, T47N, R6E, and a portion of section 33, T48N, R6E, Boise Meridian, and the St. Regis River drainage within a portion of sections 31 and 32, T20N, R32W of the Montana Meridian. This sale is located in Shoshone County, Idaho and Mineral County, Montana.

This timber sale is designed to expand services at the Lookout Pass Ski and Recreation Area. **Most of the timber sale activities will need to be completed this season, with some timing requirements on specific portions so that work can proceed on establishment of a new chair lift as soon as possible.** The sale contains 12 harvest units. All units are designated as clearcuts. Unit 1 is a temporary road right-of-way clearing. Boundaries (clearing limits) associated with unit 1 are designated with three LIME GREEN tags stapled to boundary trees, the middle tag facing toward the road location, with an ORANGE stump mark. All other unit boundaries are identified with three ORANGE tags stapled to boundary trees, middle tag facing the unit, with ORANGE stump marks. Internal boundaries separating units 4, 6, and 9 are defined by red flaglines.

This sale has been divided into 5 payment units. Unit 1 is a separate payment unit. Cutting units 2, 3, and 4 comprise payment unit 2. Cutting units 5 and 6 comprise payment unit 3. Payment unit 4 contains cutting units 7, 8, and 9. Payment unit 5 contains cutting units 10, 11 and 12.

The sale area is accessed from the Fernan Ranger Station by proceeding east on I-90 to the Idaho-Montana Divide at Lookout Pass. Proceed on the access road to the north end of Ski Hill parking lot next to the chair lift. The road leaving the parking lot from this area forks in a short distance. The left fork is the #3026B road. The right fork is the #3026A road. In order to access the lower portion of the sale area, take the paved road to the left from the overpass. This is the #7896 road.

This sale will require tractor, cable, and skyline yarding systems. The percentage by volume is 83%, 3% and 14% respectively. Average tractor skidding distance is approximately 1000 feet with a maximum skid of 2500 feet. Average cable yarding distance is 800 feet with a maximum EYD of approximately 1000 feet. Average skyline yarding distance is 700 feet with a minimum reach of 1000 feet. Purchaser will need to construct and obliterate approximately 0.63 miles of temporary road associated with cutting unit 1.

4. TIMBER QUANTITIES AND RATES. The quality, size, cut per acre, and product suitability of the timber are estimates based on detailed cruise information on file and available for inspection at the Forest Service offices listed above and in the advertisement. VOLUME QUANTITIES LISTED HEREIN ARE MADE AVAILABLE WITH THE UNDERSTANDING THAT VALUES SHOWN ARE FOREST SERVICE ESTIMATES AND ARE NOT GUARANTEED. For these reasons, bidders are urged to examine the timber sale area and make their own estimates. THE MINIMUM ACCEPTABLE BID RATE IS STATED IN THE ATTACHED BID FORM. THESE RATES ARE EFFECTIVE AT THE TIME OF ADVERTISEMENT.

**Estimated Quantities and Minimum Acceptable Rates
per Unit of Measure**

Species	Product	Unit of Measure	Estimated Quantities	Average DBH	Minimum Acceptable Bid Rates	Base Rates	Required Deposits	
							Slash Disposal	Road Maintenance
Lodgepole pine	Sawlog	CCF	1498	9.6	\$ 71.24	\$15.00	\$0.53	\$0.11
Larch	Sawlog	CCF	188	13.3	\$ 82.95	\$15.12	\$0.53	\$0.11
Spruce	Sawlog	CCF	51	10.5	\$ 82.95	\$15.12	\$0.53	\$0.11
Douglas-fir	Sawlog	CCF	10	11.3	\$ 82.95	\$15.12	\$0.53	\$0.11
Ponderosa Pine	Sawlog	CCF	5	14.3	\$ 82.95	\$15.12	\$0.53	\$0.11
White Pine	Sawlog	CCF	1	10.5	\$ 82.95	\$15.12	\$0.53	\$0.11
Hemlock	Sawlog	CCF	95	12.1	\$ 70.69	\$15.00	\$0.53	\$0.11
Alpine fir	Sawlog	CCF	31	10.2	\$ 70.69	\$15.00	\$0.53	\$0.11
Required Removal at Fixed Rates								
Combined Species	Non-Sawlog	CCF	255		\$ 1.00	\$ 1.00	N/A	\$0.11
TOTAL	Sawlog	CCF	1879					
	TOTAL	CCF	2134					

Lodgepole pine is within its own species grouping. Larch, spruce, Douglas-fir, ponderosa pine and white pine are combined into one grouping. Alpine fir, hemlock, and grand fir are in a separate species group. The average defect for the sale is 7 percent. The cruise was run using INGY volume equation to estimate the volume.

The minimum acceptable bid for advertised timber is \$137,031.71 for the sale-as-a-whole. The bid rate for species and unit of measure are assigned under procedures for average bid premium bidding as noted in this prospectus. The bid rate is based upon the pricing procedures provided by the timber sale contract. This rate has been established by appraisal, with a cost allowance for the roads specified by the contract, if any. Required deposits for slash disposal and road maintenance are in addition to the advertised rates for timber.

Estimated Knutson-Vandenberg deposit for sale area improvement work in a total amount of \$ 8,131.10 is included in total timber value.

5. **PERIOD OF CONTRACT.** The normal operating season covers the period between July 1 and October 15. The contract termination date is August 31, 2004. Extensions of this contract will not be granted.

The purchaser must submit a general operating plan to the Contracting Officer for approval before operations begin or within 60 days of sale award, whichever is earlier. The plan must show how the purchaser plans to complete the contract by the termination date. In addition to the general operating schedule, the purchaser must submit an annual schedule of operations before commencing operations. This schedule will include the anticipated major activities and needs for harvest. This annual schedule of operations does not require concurrence of the Forest Service.

6. PAYMENT. Payment for timber and any required deposits for slash disposal or road maintenance are required in advance of cutting. The Purchaser may transfer purchaser credit into the contract, or provide an acceptable payment guarantee prior to cutting. Payment for required deposits must be a cash payment. At advertised rates, the transfer-in purchaser credit limit is \$ 0 . The purchaser shall make advance deposits in accordance with provision BT4.222 - Advance Deposits.

The high bidder whose bid is accepted shall, at the time the contract is signed and returned by the bidder, make a downpayment pursuant to Title 36, Section 223.49, of the Code of Federal Regulations. The Contracting Officer will notify the high bidder of the amount necessary to make this payment. In no case shall the downpayment be less than 10 percent of the total advertised value and 20 percent of the bid premium. The bidder may use transferred-in purchaser credit to meet this requirement. After receipt of the downpayment and a satisfactory performance bond and upon execution of the timber sale contract, the Forest Service will return the bid guarantee. A cash bid guarantee may be applied to the downpayment at the request of the purchaser. The purchaser cannot apply the amount deposited as a downpayment to cover other obligations due on the sale until stumpage value representing 25 percent of the total bid value of the sale is shown to have been cut, removed, and paid for on the statement of account.

By January 31, 2004 , the purchaser shall have paid for, or in lieu thereof, deposited cash in the amount of: (1) 50 percent of the total estimated bid premium, or (2) 35 percent of the total estimated sale value at bid date, exclusive of required deposits, rounded up to the next \$100. Purchaser credit transferred in may be used to meet this requirement. Transferred-in purchaser credit cannot be subsequently transferred to another sale unless the credit is replaced by cash.

7. PERFORMANCE BOND. A performance bond is required. The penal sum of the bond will be 10 percent of the total bid value of the sale, rounded up to the nearest \$100 when the total bid value is \$10,000 or less; and rounded up to the nearest \$1,000 when the total bid value exceeds \$10,000. If an irrevocable letter of credit is used to secure the performance bond, the termination of the letter of credit must be at least 6 months past the contract termination date.

8. ROAD MAINTENANCE. Purchaser shall perform or pay for road maintenance work, commensurate with purchaser's use, on roads controlled by Forest Service, and used by purchaser in connection with this sale. Road maintenance requirements are based on the predicted haul route. Any change in the purchaser's actual haul route may necessitate a change in the roads to be maintained and/or in the amount of required deposit for road maintenance. Required deposits for road maintenance are listed in Section 4 and in the sample contract. Maintenance specifications are in the sample contract.

9. INAPPLICABLE STANDARD PROVISIONS. See the attached sample contract.

10. SPECIAL PROVISIONS. See the attached sample contract.

11. SET-ASIDE SALES. Preferential award of this sale to a self-certifying, qualified small business concern is authorized by section 15 of the Small Business Act of 1958. All bidders shall designate their small business status as specified on the bid form. The bidder, by signing the bid for advertised timber, certifies its small business status and agrees to the provisions of the sample contract including disposal and record keeping. In the absence of any bids from a self-certifying qualified small business concern, the sale will be readvertised without restriction on the size of bidders under 36 CFR 223.103.

The high bidder's size status is subject to verification by the Small Business Administration (SBA). A small business that does not qualify for the program must obtain a recertification of size from SBA before self-certifying again for small business set-aside sales.

The bidder, by signing the bid form, agrees not to sell more than 30 percent of the advertised sawtimber quantities included in this sale to firms not qualifying as small businesses under section 15 of the Small Business Act. Volume distribution requirements do not apply if the sale is readvertised under 36 CFR 223.103 and is awarded without restrictions to bidder size.

12. LOG EXPORT AND SUBSTITUTION RESTRICTIONS.

The contract requires domestic processing of included timber except for species declared to be surplus, and prohibits the use of such included timber in substitution for unprocessed private timber exported. The bidder, by signing the bid for advertised timber, certifies compliance with the applicable prohibitions against export and substitution prescribed in the Forest Resources Conservation and Shortage Relief Act of 1990, as amended (16 U.S.C. 620, et seq.) with each bid.

13. EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE REVIEW.

If the total bid value plus required deposits for this contract exceeds \$10 million, before award, the Forest Service shall request an equal employment opportunity compliance review of the high bidder to determine compliance with the provisions of Executive Order 11246 of September 24, 1965, as amended by Executive Order 11375 of October 13, 1967 and Executive Order No. 12086 of October 5, 1978.

14. AWARD. The Contracting Officer is required to make a determination of bidder responsibility as stated in Title 36, Section 223.101, of the Code of Federal Regulations.

To determine a purchaser to be responsible, a Contracting Officer must find that:

- a. The purchaser has adequate financial resources to perform the contract or the ability to obtain them;
- b. The purchaser is able to perform the contract within the contract term taking into consideration all existing contracts and Governmental business commitments;
- c. The purchaser has a satisfactory performance record on timber sale contracts. A prospective purchaser that is or recently has been seriously deficient in contract performance shall be presumed not to be responsible, unless the Contracting Officer determines that the circumstances were beyond the purchaser's control and were not created through improper actions by the purchaser or affiliate, or that the purchaser has taken appropriate corrective action. Past failure to apply sufficient tenacity and perseverance to perform acceptably under a contract is strong evidence that a purchaser is not a responsible contractor. The Contracting Officer shall consider the number of contracts involved and extent of deficiency of each in making this evaluation;
- d. The purchaser has a satisfactory record of integrity and business ethics;
- e. The purchaser has or is able to obtain equipment and supplies suitable for logging the timber and for meeting the resource protection provisions of the contract;
- f. The purchaser is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Bidders, by signing the bid form, certify that, to the best of bidder's knowledge, the bidder will meet the requirements in 36 CFR 223.101, determination of purchaser responsibility, and if awarded this contract, that bidder will complete the timber sale contract and any modifications thereof in accordance with its terms including requirements to purchase, cut, and remove included timber.

15. FALSE STATEMENTS ACT. Bidders, by signing the bid form, certify that they are aware that bidder is subject to the penalties prescribed in 18 U.S.C. 1001, Chapter 47, Fraud and False Statements (P.L. 104-45). The Act states “whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than 5 years, or both.”

16. DAMAGES. This contract shall be terminated for breach pursuant to paragraph 16, 19, and/or 21 of the bid form and the terms of the sample contract if: 1) bidder fails to execute a timber sale contract, furnish a downpayment, or furnish a satisfactory performance bond within 30 days of the award letter’s date; or 2) bidder is found to have violated the False Statements Act in making any statement or certification on the bid form including not meeting purchaser responsibility requirements, and bidder has made a false statement. The bid guarantee shall be retained, in whole or in part, by the Forest Service to satisfy any damages that may be assessed.

17. SUSPENSION AND DEBARMENT CERTIFICATION. Non-procurement debarments and suspensions are governed by the Government-wide common rules (7 CFR 3017).

These rules require each timber sale purchaser, to submit a certification for itself, its principals, and its affiliates when bidding on sales. The bidder must designate its status regarding debarment, suspension, and other matters as specified on the bid form. The bidder, by signing the bid form, certifies this status. An explanation for not submitting a certification may be submitted. The Contracting Officer will determine whether the explanation provides sufficient reason for permitting participation in the bidding. Also, as a timber sale purchaser enters into transactions with subcontractors, these subcontractors must certify their eligibility. The certification titled “Subcontractor Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion” must be provided to subcontractors, but completed certifications are not required to be submitted with bid forms. Purchaser must keep these subcontractor certification forms on file for review by the Forest Service, if requested.

The certification forms and instructions for subcontractors transactions are provided as an addendum to the bid form.

18. OCCUPATIONAL SAFETY AND HEALTH ADMINISTRATION (OSHA) LOGGING REGULATIONS. Conduct of operations on this timber sale is subject to inspection for compliance with the logging operations regulations at 29 CFR 1910.266 by OSHA. This standard is applicable to the entire logging industry wherever logging operations occur. Information is available to assist purchasers to ensure compliance with the logging operations regulations during conduct of this timber sale from the U.S. Department of Labor, Occupational Safety and Health Administration, 1150 N. Curtis Road, Suite 201, Boise, Idaho 83706-1234..

19. GENERAL.

Under section AT8 of the timber sale contract, the maximum stump height is 6 inches.

Under Provision CT5.102#, location of temporary roads has been designated by using PINK ribbon to identify the centerline location. The clearing limits have been identified with three LIME GREEN fluorescent tags with the middle tag facing into the road and an ORANGE stump mark.

Under Provision CT5.12# - Log haul on the #3026A and #4208 roads is prohibited.

Under Provision CT5.31# - Purchaser will be responsible for road maintenance on the #3026B and #18591 roadways. This includes T-103 dust abatement during log haul.

Under Provision CT5.312# - Purchaser will be required to recondition the #3026B and #18591 roads prior to use.

Under Provision CT6.10 – Prior to commencement of work, a pre-work conference will be held to discuss contract terms and work performance requirements.

Under Provision CT6.351 – Purchaser will be required to wash off road equipment prior to moving into the sale area.

Under Provision CT6.316# - Log haul and road maintenance operations will be prohibited on all forest roads during weekends and holidays. This restriction will be in effect at 4:00 pm on the day prior to the weekend or holiday. All timber sale operations are prohibited on the sale area from November 1 to June 30. All of unit 3 and all of unit 4 must be completed by August 8, 2003. The portions of unit 2 required to be completed by August 15, 2003, include the area above Road #3026A and the east half of the unit between Road #3026A and the temporary road. The west half of cutting unit 2, and all of cutting units 5, 6, 8, 9, 10, 11 and 12 must be completed by October 15, 2003. No operations in cutting units 4, 6, 9 and 12 until July 15.

All improvements are required to be protected under BT6.221 of the timber sale contract. These improvements include the chairlift, rope-tow, terrain park, ski patrol top shack, hiking and cross-country ski trail, Road #3026 A to the top of the ski hill, and Road #3026B.

Under Provision CT6.4 – In all cutting units, whole trees shall be yarded to landings.

Under Provision CT6.601# - Purchaser will be required to seed and fertilize landings, skid trails, and temporary roads.

Under CT6.632# - the temporary road (cutting unit 1) will be recontoured and obliterated after use.

Under BT6.65 erosion barriers will be required to be installed in primitive road A at the end of the seasonal use period.

Under Provision CT6.7 – Purchaser will be required to fell all live and dead coniferous vegetation not meeting utilization standards over 5 feet in height in cutting units 1 through 12. Purchaser will be required to pile and cover landing slash, avoiding tower site and lift line locations, in accordance with CT6.7 of the timber sale contract.

Non-sawlog (roundwood) material, including small trees meeting utilization standards in AT2 and topwood from sawlog trees, is required removal under this timber sale contract.

The timber sale contract contains provision CT9.53 – Settlement for Administrative Appeal or Litigation (7/01). Purchaser's should become familiar with this provision so they understand the liability of the Forest Service should the contract be modified or terminated as a result of litigation.